



APAEB

Associação dos Pequenos Agricultores do Município de Valente

No. 11

Associação dos Pequenos Agricultores do Município de Valente (APAEB) is a grass-roots sisal production and manufacturing cooperative founded in 1980 by 70 farmers in the municipality of Valente, Bahia, one of the lowest income regions of Brazil—the Northeast.

INTER-AMERICAN FOUNDATION SUPPORT

Since 1989, APAEB has received three grants from the Inter-American Foundation (IAF) totaling \$429,700. The most recent, BR-776, a three-year grant for \$205,000, was used to install a new, environmentally sustainable, sisal dye system, increase APAEB's market share, and purchase six new sewing machines and cutting tables.



Ismael F. de Oliveira, APAEB Program Coordinator, demonstrates the high quality sisal fiber that APAEB produces in its Valente plant to the President of Brazil, Fernando Henrique Cardoso. (Photo: Courtesy of APAEB)



APAEB workers lay out extracted sisal to be sun-dried. (Photo: Courtesy of APAEB)

APAEB INTRODUCES INNOVATIVE TECHNIQUES

APAEB developed several simple yet highly effective techniques for finishing carpets and expanding its market:

- ❖ A labor intensive manual technique pounds natural dyes into carpet fibers to assure design durability and coverage.
- ❖ A simple home computer incorporates complex designs, including messages and company logos, into carpet patterns.
- ❖ A waste reduction technique cuts remnants down to popular rug sizes for sale to home and commercial establishments.
- ❖ A simple value added marketing technique incorporates tapestry designs and shapes onto carpets, which has opened up regional and national markets.

The professional quality of APAEB's workmanship has generated a growing demand for specialty rugs and welcome mats from some of Brazil's largest department stores and companies.

APAEB ACHIEVES IMPRESSIVE RESULTS

- ❖ In 1998 and 1999, 700,000 and 800,000 square meters of finished rugs were sold. Finished rugs represent only about 10 percent of APAEB's total rug production, but are highly profitable and generate 39 percent of APAEB's total sales revenue of over 2 million dollars.



Workers apply a design with dyes to a sisal carpet at APAEB's factory in Valente. (Photo: Courtesy of APAEB)

- ❖ Over 4,000 individuals have benefited directly from APAEB's activities. APAEB provides its members and affiliates, primarily low-income farmers who have few income-generating options, with new jobs.
- ❖ In the last three years, APAEB employees increased from 492 to 790. In 1999, while Brazil underwent an economic crisis during which most companies decreased drastically their number of employees, APAEB was able to increase its cooperative workforce from 552 to 790 employees. APAEB has grown steadily and increased its membership by 43 percent.

- ❖ APAEB's 790 employees represent 27 percent of the employed workers in Valente, making APAEB the second largest employer in the town.
- ❖ APAEB's manufacturing process is highly efficient and minimizes waste. Over the past three years, APAEB has increased significantly the use of more of the sisal fiber in its finished products than ever before.

APAEB HELPS THE COMMUNITY ACHIEVE SUCCESS

APAEB has become Valente's primary income-generating institution by maximizing the use of sisal, which is one of the few crops able to grow in this desert-like region.

APAEB'S SUCCESS HAS LED TO DIVERSIFICATION.

APAEB supports currently animal husbandry, rural schools, a credit union, a cooperative grocery store, and rural electrification projects to improve the quality of life of low-income beneficiaries in the region.

PROJECT SUSTAINABILITY: NEXT STEPS

APAEB continues to be highly sustainable by diversifying its product lines, identifying products with high levels of return, and minimizing waste. By promoting the use of raw sisal and increasing levels of sisal processing competition, APAEB will provide more economic options for Valente. Members who grow sisal will be able to sell sisal at a fair price and workers with special sisal processing skills will realize an increased demand for their labor.

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